

**UNITED STATE BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation
Of Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

ESTATE OF BERNARD J. KESSEL; THE
BERNARD KESSEL INC. PENSION PLAN AND
TRUST; and IRIS STEEL, in her capacity as Trustee
of the Bernard Kessel Inc. Pension Plan and Trust and
as Executrix of the Steve & Paul Bernard J. Kessel
Estate,

Defendants.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

MEDIATOR'S FINAL REPORT

Keith N. Costa, the court-appointed mediator in the above-captioned adversary proceeding (the "Adversary Proceeding") submits this final report pursuant to Local Rule 9019-1

and section 3.4 of the Procedures Governing Mediation of Matters of the United State Bankruptcy Court for the Southern District of New York and reports as follows:

1. The mediation of the Adversary Proceeding took place in person on October 27, 2015 at the offices of Baker & Hostetler LLP in New York, New York.
2. The parties negotiated in good faith and complied with all relevant orders governing the mediation including the Bankruptcy Court's Order entered November 10, 2010 (1) Establishing Litigation Case management Procedures for Avoidance Actions and (2) Amending the February 16, 2010 Protective Order, yet failed to reach a mutually satisfactory resolution of the disputes involved in the Adversary Proceeding.
3. The mediator has concluded that there would be no further point to continuing the Mediation and by agreement of the parties and the mediator, this Mediation is hereby concluded.

Dated: November 30, 2015
New York, New York

/s/ Keith N. Costa
Keith N. Costa, Mediator